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MARITIME STRATEGY MEETING

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Wednesday, March 7, 2012

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Coastline Conference & Event Center

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Wilmington, North Carolina

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6:02 p.m. to 7:03 p.m.

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1 MARITIME STRATEGY MEETING

2 BY RACHEL VANDENBERG:

3 Good evening. Thank you all for coming here
4 tonight. We'd like to present to you some of the
5 findings and opportunities that have been identified as
6 part of the North Carolina Maritime Strategy. I know
7 many of you have been following this. I hope you've had
8 an opportunity to look at the information on the Web site
9 and on the boards out front.

10 I'm going to do an overview of the study and the
11 opportunities that have been identified before we open it
12 up for comments.

13 The first item is -- the goal of the study is to
14 identify the role the North Carolina ports play in
15 creating jobs and economic opportunity within the state
16 and how that can be strengthened. The outcome of the
17 North Carolina Maritime Strategy will be a matrix of
18 opportunities including potential benefits and costs of
19 the state for various market scenarios.

20 The scope includes evaluation of North Carolina's
21 current position in global trade and the role the ports
22 play in that, and identification of specific strategies
23 and opportunities based on some significant outreach and

24 input from not only users of the port, but North Carolina
25 industry, as well as members of the community surrounding

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1 the ports.

2 One thing that we have determined with certainty
3 is that North Carolina ports play an important role in
4 the economy. Although there are ports that are available
5 in adjacent states, shippers in North Carolina do choose
6 to use North Carolina ports when they are the most
7 cost-effective choice.

8 In particular, agricultural producers are very
9 strong users of the ports and rely on the state's
10 facilities more so than facilities in neighboring states.

11 An important aspect to the vitality of the ports
12 and their ability to meet demands of North Carolina
13 shippers with availability of empty shipping containers.
14 Because of this, the import of containers is also an
15 important factor to exports and to shippers that would
16 use those same containers for export.

17 In addition to the stated facility, North Carolina
18 ports include several private terminals that are located
19 up and down the Cape Fear River, and those are also an
20 important element of the maritime economy in
21 North Carolina.

22 Investments in maritime infrastructure, whether
23 it's at the port, on the water side, the land side, would

24 generate certain economic impacts and benefits to the
25 state over time. This might include direct jobs,

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1 economic development opportunities that are generated
2 through a more efficient supply chain, safety
3 improvements, if there are -- reduced accidents on the
4 highway, et cetera. And these are acclimated over time.
5 So for each opportunity, we are identifying the types of
6 benefits that could be realized by the state of
7 North Carolina and its residents.

8 Among the several opportunities we've identified,
9 first of all, I want to note that these are highlighted
10 opportunities that we think could generate some
11 significant benefits to the state, but it's not to say
12 that if a commodity is not mentioned here that we don't
13 think it's important, and there are several base
14 commodities that are now handled by North Carolina ports
15 that will continue to be important in the future.

16 So the first of these opportunities is grain and
17 soybeans. For each we have identified what the potential
18 opportunity could be in the future looking out to 2040
19 and also looked at the kinds of infrastructure and
20 supporting facilities that would be required to meet this
21 demand. Grain and soybeans, there's a tremendous
22 opportunity for export of bulk soybeans. Today the state

23 does not have facilities to support this. There's
24 limited exports by container, so by development of an
25 export grain facility, this is a way that local producers

7

1 could be better supported.

2 Investments to support grain would not only
3 include an export terminal itself, but some highway
4 enhancements and rail connections to support the grain
5 opportunities to bring goods from the growing regions to
6 the ports. On this chart and in others in the future,
7 you will see in different color coding -- in this case,
8 down below, the blue, it's port terminal investments --
9 and by far the largest piece of the bar here is the light
10 blue, highway infrastructure. This seems quite
11 overwhelming and potentially surprising, but this is
12 actually a posed investment over 30 years as part of the
13 state's long-range transportation plan. And as kind of a
14 point of reference, we show in this graph about a little
15 over one and a half billion dollars in potential highway
16 investments over 30 years. To put that in perspective,
17 the state's current transportation improvement program
18 includes \$11 billion over seven years as currently
19 funded. So these are the types of improvements we would
20 recommend to be incorporated in the future year programs.

21 Ro/Ro and oversize cargo. Ro/Ro is roll on/roll
22 off. These are large equipment, things like tractor,

23 trailers, mining equipment. This is an opportunity for
24 North Carolina ports to support increasing manufacturing
25 industry within the state. We see an opportunity here to

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1 not only create the direct jobs that would benefit --
2 that would be created at the port, but much more
3 importantly, to support the location of these industries
4 within the state. And they purchased significant
5 surfaces and products from other adjacent industries as
6 well.

7 Ro/Ro investments would, again, include highway
8 connections over the long term to support the delivery of
9 goods for manufacturing centers inland the ports, as well
10 as port terminal investments and rail network. It's
11 important to have a proposed rail connection to transport
12 some petty goods that can't be transported by road.

13 For each of these, we have examined at least two
14 sites near Morehead City and Wilmington in this case, and
15 for present, to support these opportunities and have
16 examined the cost and potential investments at either
17 location.

18 Wood pellets, this is another opportunity that
19 builds upon North Carolina's strength in the timber
20 industry and is a growing worldwide opportunity. Again,
21 as the grain, there is not an existing bulk wood pellet

22 export facility, so investing in such a facility would be
23 needed to support this industry, as well as connections
24 from timber-grown regions in both the west via rail and
25 east via highway.

9

1 Here you can see, again, the relative investments
2 in such a facility whether it be constructed at
3 Morehead City, on Radio Island, or in Wilmington. For
4 each of these -- and I have highlighted these -- we also
5 calculated the various economic benefits, and those were
6 on the boards as well as you were here for the open
7 house.

8 In addition to wood pellets, the existing
9 North Carolina port facilities handle quite a bit of
10 other wood products, and these are an important growth
11 area as well. So this might include lumber, wood chips,
12 wood pulp, whether to buy bulk or breakbulk. So by
13 investing in some of the very same infrastructure road
14 and rail connections to wood producing areas, we think
15 there is a tremendous opportunity for growth in this area
16 for the port to build on this existing strength.

17 Containers, as I mentioned, are an important
18 contributor of the port's both for import and export.
19 Here you see the two lines. Red and blue are the volumes
20 projected. The demand from North Carolina-based shippers
21 for container imports and exports out of the state ports

22 totaling roughly 1.3 million TEUs combined.

23 Containers. We looked at several different sites
24 and several different options including expansion with
25 various water depths here at Wilmington. You can see

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1 those with the 45-, 47-, and 51-foot potential water
2 depths for a kind of investment would be proposed, as
3 well as a couple of options with 45-foot and 51-foot
4 water at Radio Island and then two grain field sites at
5 River Road and at Southport. Depending on the available
6 infrastructure, you can see the level of investment that
7 would be required at each of these sites with the red at
8 the bottom being dredging, green being terminal
9 investments, and then again, the large blue bar being
10 roadway connections, two inland via mobile facilities and
11 distribution centers.

12 Among the various options, the container market
13 brings really a tremendous -- it clearly requires the
14 most upfront initial investment that offers tremendous
15 potential benefits upwards of \$1 billion in potential
16 savings to North Carolina shippers by reducing the travel
17 distance and associated cost to get their goods to
18 market.

19 Another option is refrigerated cargo. This was
20 something that came out of discussions with stakeholders,

21 and the availability of refrigerated container plug-ins,
22 as well as warehousing, was very important to shippers,
23 and North Carolina-based producers of refrigerated goods
24 felt strongly, and it was worn out by our analysis that
25 they could save tremendous shipping costs if there were

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1 local facilities in this area. So in this case, a
2 relatively modest investment in a cold storage warehouse
3 could realize significant investments or savings to
4 shippers and can then be invested in the state economy.

5 So based on this information and the next step to
6 focus on by the team is to take the comments received
7 from you, from the state, and other stakeholders that
8 have been reviewing the draft report and incorporate it
9 into a final study report, which will be prepared next
10 month in April.

11 From that, the state itself will be evaluating the
12 data that we prepare to incorporate the information into
13 their long-range transportation planning effort to
14 consider how the recommendations or opportunities that
15 are included in the report fit in with longer-range goals
16 for the ports as they update their strategic plan and
17 also to consider how maritime investments fit within the
18 overall priorities for investment and policy goals within
19 the state.

20 So with that, I want to open it up for your

21 comments, but please do be aware that on our Web site,
22 w-w-w dot n-c maritime study dot com, we have a copy of
23 the working draft report. It is a work in progress, but
24 feel free to download that and review and comment on it.
25 We would like to receive your input and comments no later

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1 than March 26 so that we have time to consider and
2 incorporate those items into our analysis. So
3 with that, I'll turn back to Garold so he can open up the
4 comment period. Thank you.

5 BY GAROLD SMITH:

6 Okay. I would like to open the public comment
7 period. And as I mentioned, we did have these sheets at
8 the sign-in table when you came in that would allow you
9 to speak during this public period. If you were unable
10 to sign in, please feel free to make your way up to this
11 table. We have a green sheet that's available for you to
12 sign in there. And also during the comment period, if
13 you feel like you would like to comment again, please
14 sign in.

15 As I mentioned, we are limiting comments to three
16 minutes. Steffanie up at the front here will be keeping
17 time, and she has the one-minute board and the stop
18 board.

19 So what we will be doing is we will be calling the

20 person who is going to be speaking and then the name that
21 will be following that person, so I'll be calling two
22 names. If you could just raise your hand, we'll bring
23 the microphone to you.

24 Again, clearly state your name and your address.

25 And with that, I would like to call

13

1 Chester Gibbons will be followed by Johnnie Henagan.

2 BY CHESTER GIBBONS:

3 Thank you. My name is Captain Chester Gibbons,
4 G-i-b-b-o-n-s. I live at 226 Dallas Drive; Wilmington,
5 North Carolina 28405.

6 You did a wonderful job with all this laid out
7 there this way. I really have to tell you that. There's
8 a lot of things I wasn't aware of, some of the sites you
9 were looking at building a new terminal at. I wasn't
10 aware of the River Road project. I've been on this river
11 almost 20 years working, so that was a new one on me.

12 One of the things -- and I know this is a very
13 contentious issue, and for those of us who are in
14 business, you all understand very well that time is
15 money. Every hour that these vessels can save coming up
16 the river to offload their wares, to offload their cargo,
17 offload their product, is money that is saved by the
18 shipping company who also makes the money and everything
19 for their investors. That could be any of us in here.

20 Southport is a good place primarily because it was
21 closest to the sea buoy. Once the pilots are on board,
22 it would take possibly one hour, one hour and 15 minutes
23 suffice two and a half, three, maybe four hours to come
24 up town. Like I said, I realize it's a contentious
25 issue, and I can appreciate your feelings about it. If

14

1 that is off the board, if that's not going to be
2 considered any longer or put on the back burner, then we
3 also have a problem with the marketing of our current
4 facilities here. It's abysmal. The marketing of the
5 state port is abysmal.
6 Charleston, Savannah, Norfolk, they go out and
7 they tell their customers to tell their carriers to tell
8 their shipping companies this is what we have to offer.
9 This is what we do. We can turn your ship and your cargo
10 around in this many hours. Here's the proof. I have
11 never seen anything like that come out of the state ports
12 here in Wilmington.

13 If we're going to do this, if we're going to try
14 to build back up our maritime community that we have
15 here, we have to start with what we have and utilizing
16 what we have using a full functionality of all the
17 facilities that we currently use. And, you know, maybe
18 sometime later on down the road, people will change their

19 mind about the Southport facility. But I certainly hope
20 that you would keep it in your mind that this is for our
21 best interest. This is for the state's best interest.
22 This is for all the businesses here. Thank you very
23 much.

24 BY GAROLD SMITH:

25 Johnnie Henagan will be followed by Bill Bencker.

15

1 BY JOHNNIE HENAGAN:

2 My name is Johnnie Henagan. I live at
3 232 Washington Street in Sunset Park. I'm president of
4 Sunset Park Neighborhood Association and have been for
5 several years.

6 I want to commend you and thank you for having
7 this meeting today to allow us to see what your most
8 ambitious menu for improvement and growth is and for us
9 to have a say-so in it.

10 I want to address one concern, and that is
11 traffic. The traffic is one word: horrific. We suffer
12 from Carolina Beach Road traffic every day, every night,
13 every weekend. We were promised several years ago by the
14 port that there would be a connecting street running
15 through the port from north entrance to south entrance,
16 which would take care of cutting out all this coming out
17 of Shipyard entrance going up Carolina Beach Road and
18 then going down Carolina Beach Road till you get to the

19 river, to the bridges.

20 This through traffic through the port would
21 greatly decrease that traffic on Carolina Beach Road. It
22 would impact tourist trade because they would not have to
23 contend with all these container trucks.

24 Now, we appreciate the container trucks. We
25 appreciate the fact that this is a tremendous asset

16

1 financially to the city and to everywhere. The port sits
2 on property, which was Sunset Park once upon a time.
3 That was where our amenities were going to be: clubhouse,
4 marina, tennis courts, and so on. Well, World War I put
5 a stop to that, and now you're here and we're relegated
6 over there, and we're asking -- we want to be good
7 neighbors. We want you to be good neighbors. We're
8 asking you to take this back to Mr. Conti,
9 Secretary Conti, and tell him, the director of
10 transportation, secretary of transportation, we need that
11 through street to take the traffic off Carolina Beach
12 Road. Carolina Beach Road cannot stand the traffic much
13 longer. And any time there's an accident on that road,
14 the traffic shifts through our neighborhood.

15 Long live ports. We appreciate them. We
16 appreciate the economic impact. All we ask is this one
17 thing. Thank you.

18 BY GAROLD SMITH:

19 Bill Bencker followed by Chuck -- sorry. I can't
20 read the last name. It's K-i-e-l-e.

21 BY BILL BENCKER:

22 Good evening. My name is Bill Bencker. I live at
23 301 Central Boulevard in Sunset Park.

24 First of all, I'd like to say we do appreciate the
25 ports that are a great asset to us and provide us that

17

1 unique characteristic to where we live. However, there
2 are detrimental effects that Johnnie spoke of: the
3 traffic.

4 Just the other day, we had a truck make a
5 left-hand turn -- a right-hand turn down Shipyard and
6 tear down the power lines for about the fourth time this
7 year.

8 The traffic on Carolina Beach Road is unbearable.
9 The residents that do have children that attend
10 Sunset Park Elementary cannot cross that highway safely
11 due to motor vehicle traffic and the truck traffic.

12 We had red-light cameras installed on
13 Carolina Beach Road that have done a great job in
14 reducing many of the red-light runners. I've lived there
15 for ten years, and I've been passed by a container truck
16 ten times by less than 10 feet leaving my neighborhood,
17 and that is not an exaggeration.

18 We ask that the state, in order to improve quality
19 of life, that the state ports look at putting a
20 connecting street beyond the north gate of the state port
21 up along the railway bed and then bring it out right near
22 the railroad tracks. Bring all the truck traffic in. I
23 know there's some private property that would have to be
24 attained to do so, but that would improve the quality of
25 life for about 2,000 households between Third and Burnett

18

1 and Shipyard Boulevard. It would be a tremendous asset
2 to the community and an offering by the state in the
3 state port project.

4 On a grander scheme, taking into consideration
5 what the captain just spoke of, I believe the facility
6 has outlived its usefulness in the city of Wilmington,
7 and I know it occurs as necessary, but with proper
8 planning and long-sighted planning in the 30 to 40 or
9 50 years, a facility across the river allowing economic
10 liability -- if the economic liability is there, it would
11 provide better services, provide more options.

12 And if it's planned properly, you're not going to
13 have any interference with the quality of life with new
14 road systems coming in through Brunswick County off
15 of 17, the new targets of the I40 bypass. If it's
16 planned properly, especially the residents of

17 Wilmington -- which I think the majority of the people
18 here are -- should be for the moving of the ports to
19 Brunswick County. It would be an improvement to quality
20 of life. It would also provide an opportunity downtown
21 beyond the Cape Fear bridge, doing as they did in
22 Charleston, and possibly moving the tank fields down
23 river. Thank you.

24 BY GAROLD SMITH:

25 Chuck will be followed by Jim Bradshaw.

19

1 BY CHUCK KIEBLER:

2 Good evening. Just let me say two quick
3 questions. If we are looking at improving the port
4 facility that I've read we'd be, will the port encompass
5 the larger vessels that the cost of impact is going to
6 have and be able to accommodate those ships?

7 Then the other question, you know, that you guys
8 haven't answered is how do you figure out cost either per
9 family or taxpayer? I mean, for that project, how will
10 that cost be divided out if you can maybe define that a
11 little bit for me? Thank you.

12 BY RACHEL VANDENBERG:

13 With respect to being able to service post
14 Panamax, you know, Panamax vessels, we examined various
15 water depths for that purpose to look at -- if you wanted
16 to accommodate virtually any vessel that would be coming

17 from the Panama Canal, 51 feet, 51-foot depth would be
18 proposed. There are various other step-wise dredging
19 investments that can be made and, so that's why we
20 evaluated the existing depth both Wilmington and
21 Radio Island as well as 45-foot, 47-foot, and 51-foot
22 dredging.

23 With respect to looking at a cost per household or
24 per capita, that's not something we have done. We are
25 presenting aggregate cost and benefits over the 40-year

20

1 plan horizon, but have not divided per capita.

2 BY GAROLD SMITH:

3 Jim Bradshaw followed by Andy Koeppel.

4 BY JIM BRADSHAW:

5 Good evening. I'm Jim Bradshaw. I'm the director
6 of economic development for Brunswick County. To say the
7 least, it's been a tough year. We came real close with
8 Caterpillar, Continental, and (inaudible) project, with
9 1100 jobs that came real close.

10 But I really want to extend my appreciation to
11 Jimmy and the port authority for all their support in
12 trying to market our industrial sites. There's so much
13 potential in the Wilmington region for economic
14 development and port-related economic development. And
15 we're going to continue to work with the port authorities

16 in trying to make that happen in our two parks.

17 I'm from the Norfolk area. It's really
18 interesting being from North Carolina and seeing
19 South Carolina and Georgia. Virginia, South Carolina,
20 and Georgia are so aggressive in trying to improve their
21 ports, and I'm impressed that the maritime study is
22 underway. And perhaps North Carolina will become more
23 aggressive through the general assembly and funding and
24 expanding our ports, deepening our channel. I can tell
25 you, across the table, about Continental, that 50-foot

21

1 channel was critical. I know that with the port
2 authority, and I stated how critical that 50-foot channel
3 was. So we're hoping in the future that the general
4 assembly will look at that.

5 We've been working too with trying to work
6 together in bringing economic development to the
7 community. There's a small group that state, just give
8 up. Savannah, Charleston, Norfolk is going to overtake
9 Wilmington. They have. But I will never give up. We're
10 going to continue to strive to improve economic
11 development and port-related industries in the
12 Brunswick County/Wilmington region. We can't give up.
13 We've got to be competitive with other states, and we'll
14 continue to work on striving to do that.

15 We were really pleased this morning. Some

16 business and development magazine this morning recognized
17 the International Port of North Carolina and the
18 mid-Atlantic Logistic Center as one of the top ten mega
19 sites in the southeast, and we're going to continue to
20 market those sites not only to port-related industries
21 but industries in general.

22 But again, I want to thank the port authority, I
23 want to thank the Task Force and maritime study. Let's
24 all work together in a positive way instead of these
25 negative comments that are coming out in some areas in

22

1 the community. Let's all work together to improve the
2 economy of the Wilmington region. Thank you.

3 BY GAROLD SMITH:

4 Andy Koeppel will be followed by Susan MacDermid.

5 BY ANDY KOEPPEL:

6 I'm Andy Koeppel. Jim, I want to thank you very
7 much for your thoughts and nice attitude. I wish there
8 were more people like you.

9 That being said, I wanted to speak primarily to
10 the NC Maritime study group. My message is very simply
11 this: Your first draft came out, you did not specifically
12 show any inclination to us gravitating towards one
13 particular port location. I'm hoping and praying that
14 you will gravitate towards the one best place to see to

15 it we spend our dollars to expand our port facility. And
16 in my judgment, the best place would be in Southport.

17 We have spent a lot of money to acquire
18 practically 600 acres of land there. It's my
19 understanding that below the river the material there is
20 relatively soft unlike in parts of the existing state
21 where it's very rocky and it costs a lot of money to make
22 the riverbed low.

23 We have to look towards the future, not just 10 or
24 15 years, maybe 20 or 30 years. We're going to have a
25 time in the future -- as Jim pretty much indicated that's

23

1 already the case in Norfolk. To be competitive. We need
2 a riverbed that's approximately 50 feet deep. Not now,
3 maybe. Maybe we could be very happy with 45 right now.
4 But we need to be all that we can be.

5 With the Panama Canal expanding in 2014, we need
6 to realize that that's going to be the catalyst to
7 attract growth in this state. We have to be able to
8 stand head to head and show a respective shipper that we
9 can do as much for them, if not more. That place such as
10 Savannah and Charleston and even Norfolk. We have to
11 make sure that we expand in an area where we have the
12 land.

13 And Jim said it very well. He understands that we
14 have untapped resources. If we have a limited amount of

15 money, which is certainly my understanding, we have to
16 take that limited amount of money and put it in a place
17 where we can get the most bang for the buck, where it's
18 going to do us the most good. And Southport is clearly
19 the answer.

20 So please, maritime study group, I ask you, please
21 see to it that you make the recommendation. I'm a firm
22 advocate for transportation infrastructure. Places like
23 Wilmington and Charlotte need to have an interstate
24 highway connection, you have to have the right rail
25 connections. It's all part of the larger picture. But

24

1 we need to take the steps to do it. If we don't do it,
2 we're going to be left behind, and it's a shame because
3 this is a great state, and we need to do everything we
4 can to make ourselves even better. Thank you.

5 BY GAROLD SMITH:

6 Susan MacDermid followed by Wyatt Lane.

7 BY SUSAN MACDERMID:

8 Good evening. My name is Susan MacDermid. It's
9 spelled M-a-c-D-e-r-m-i-d. I live at 244 Virginia
10 Avenue, which is very close to the port in a community
11 called Sunset South, which is just south of Sunset Park.
12 I was very impressed by the study. I'd like to
13 just say that while decisions are being made about the

14 future of shipyards here in North Carolina, there is a
15 solution that Johnnie Henagan spoke of to solve the
16 problems that I'm sure that affects market ability right
17 now and on some level, and that's the amount of time it
18 takes for the truckers to get from the southern entrance
19 of Wilmington port up to the bridge.

20 Anybody that lives in the area or goes to the area
21 sees what the truckers are going through. You have to be
22 sympathetic to them despite the chaos that ensues further
23 up Carolina Beach Road.

24 They get up to that light, and if there's six
25 trucks that can't even tell when the light switches green

25

1 to red, the first truck, if it's heavy enough and slow
2 enough, may be the only truck that can lawfully take that
3 left. The one behind him can't tell that it switched
4 back to red. So they frequently will go through the red
5 light.

6 My own estimate is when traffic is very heavy, it
7 may take close to really half an hour to get to the
8 bridge. When traffic is light and there's only, let's
9 say, three trucks at that light, and it takes them two
10 cycles to get through, and then they have to encounter a
11 series of additional lights, and it might take anywhere
12 from 8 to 12 minutes to get to the bridge. A lot of
13 it -- time is money but also perception when you're

14 talking about marketing the port. I'm sure it's got to
15 be very frustrating.

16 Another problem that we have in the area is trucks
17 sometimes go up Burnett, they find out they cannot
18 proceed north on Burnett from the southern end of the
19 port, and they can't turn around anywhere, so they end up
20 in my neighborhood on Virginia Avenue.

21 Our roads are basically kind of hollow. They've
22 got filling and a lot of pipes and whatnot, so we believe
23 that the single problem that we've experienced is
24 contributed to five-wheel tractor-trailers that can't
25 really come through.

26

1 So I just want to say regardless of why the road
2 didn't get put through before, I think it's time to
3 rethink that road. As far as funding for that road, I'm
4 sure if people put their thinking caps on, they can come
5 up with a way to fund that. Thank you very much.

6 BY GAROLD SMITH:

7 Wyatt Lane followed by Gregory -- any guess on the
8 last name? Washington.

9 BY GREG WASHINGTON:

10 Good afternoon, and thank you for the opportunity
11 to speak about the strategic planning for the port.

12 I live at 207 South 17th Street, so I'm a little

13 distance away from the port, but I frequent there a lot.

14 You know, I was just reading the paper the other
15 day where in the past, a few months, we lost several
16 companies to other states because of our infrastructure.
17 We can't accommodate what they're doing. Other ports
18 have better facilities than we have.

19 I visited the port of Savannah with Caterpillar,
20 and I went down on the port and I watched where they
21 stage on the port, and it looked like a car manufacturer,
22 the rail access going in and out of the port. Just
23 imagine bringing Caterpillar parts from Brunswick County
24 to the port of Wilmington over the road. No railroad
25 infrastructure. It costs a whole lot more to do it that

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1 way.

2 I've been to the port of Savannah. Their river is
3 42 feet. Ours is 44 feet. Why would they get the work
4 and we don't? Infrastructure.

5 North Carolina has basically that one thing for I
6 don't know how many years. They could have really got us
7 on the map, and they neglected it. And that's the reason
8 why we got the traffic going over Sunset Park and those
9 areas. Because they didn't plan it. It worked that way.
10 But none of our people saw or had the foresight to say,
11 hey, you know what.

12 You know, everybody got to get together. You

13 know, the people in Sunset Park, the people that want the
14 jobs -- you know, you just can't satisfy the one group.
15 You've got to do what's going to help everybody. So
16 instead of having our own agendas, whatever they may be,
17 and fight the project that's just going to make jobs for
18 our community and our people and at the same time trying
19 to keep the community sound and intact. We sitting on
20 our money.

21 And guess how much it cost to incarcerate somebody
22 that don't have a job. Guess how much it cost. How much
23 does it cost where your house gets broken into because
24 somebody's stealing because they don't have a job? And
25 I'm not trying to make excuses for crime, but it is what

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1 it is. You know, if people don't have jobs, they're
2 going to do things they wouldn't normally do. And so if
3 we've got an opportunity to fix some of those things, we
4 need to spend the money on that. That's dollars worth
5 spending.

6 And I'm a proponent of the port in Southport, but
7 tell me what you're going to do with the port of
8 Wilmington that's going to make it better. You see? I
9 wanted to tell of Saint James. I been fishing there and
10 it's a nice community to live in too. But tell me how
11 you're going to do something with them to keep them happy

12 and at the same time looking at North Carolina as a whole
13 because we going to the people in North Carolina to make
14 them stay in work.

15 BY GAROLD SMITH:

16 Gregory Henivant.

17 BY GREGORY HENIVANT:

18 Gregory Henivant. I live on White Road here in
19 Wilmington, North Carolina.

20 We know the voluminous, statistical economic data
21 (inaudible) essentially important key waterway initiative
22 concerning our ports, which brings us together here
23 today, strongly indicates there to be, no doubt, over
24 time we could easily satisfy our accumulative long-term
25 debt problem, bolster our economy and infrastructure

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1 needs, and likely restore fiscal sanity for this state's
2 paltry finances, and in the final analysis, establish a
3 pathway toward balancing the budget.

4 I'd like to point out additionally how the
5 devastating and jolting embarrassment of failing to
6 adequately and convincingly make the argument that not
7 advocating in favor of port growth does in fact make this
8 state appear undetermined and guilty of grossly
9 under-utilizing its natural waterway resources.

10 The question then becomes how does the state of
11 North Carolina reasonably expect there to be successful,

12 real infrastructure growth and regional development
13 beyond that of tourism without dangerously pursuing with
14 measured achievement any and all reasonable tactics that
15 employ a symptomized recruiting strategies to all the
16 attraction globally significant manufacturing interests
17 in this state? I don't understand. This would suggest
18 there to be a much larger and far more serious problem
19 afoot. The implication here in the state of
20 North Carolina has marginalized ability to successfully
21 compete and win over successful corporations and
22 industries that are shopping around for a home state in
23 which to do business, strongly suggests the state somehow
24 lacks the fortitude, political, and the economic
25 brilliance to entice these businesses forthwith. But in

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1 actuality, nothing could be further from the truth.
2 This state has nonetheless reinforced a
3 (inaudible) about the recent decision of Caterpillar to
4 look beyond borders and our commodities (inaudible)
5 heavy- and medium-sized manufacturing industrial
6 equipment, industrial plant, while the citizens of this
7 great state cheers for lucrative potential of good-paying
8 jobs and other economic benefits. We were apologetically
9 dismissed by this international behemoth of a company as
10 being woefully inadequate while simultaneously being

11 outmaneuvered by other competing states beyond our state
12 borders.

13 Bottom line. North Carolina can hardly afford to
14 continuously lag behind competing state interests. Doing
15 so would conclusively demonstrate in that process this
16 state's determinable weakness that reflects unflattering
17 imagery to other state governments that also have state
18 waterway port commissions.

19 In conclusion, why wouldn't we equally import, and
20 why shouldn't we, as a state, go all in and be enjoying
21 foreseeable growth in the maritime seaport industry and
22 global trade by financially positioning in some measure a
23 portion of this state's variable resources? In our
24 commitment to seek and ensure economic viability, we
25 should align a portion of some of your and my state

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1 resources to objectively find a pathway to becoming a key
2 and integral component into a strategic part of concept
3 of maritime shipping.

4 BY GAROLD SMITH:

5 Lara Landgraf will be followed by Ilse Henagan.

6 BY LARA LANDGRAF:

7 Hi. My name is Lara Landgraf. I live at
8 216 North Seventh Street, and I'm terminal manager at
9 Service Transfer, which is a container trucking company
10 here in Wilmington. I also served on the

11 New Hanover County Ports, Waterways, and Beach
12 Commission.

13 I just want to stress how important it is for our
14 entire state's economy that our port or a port nearby,
15 such as Southport, to stay competitive in the industry,
16 that we are able to accommodate the large ships that will
17 be able to go through the Panama Canal until 2014. It is
18 just so important. We risk losing investment services,
19 and results of that would be catastrophic for
20 transportation that's right there. So it's just really
21 important that at the -- Maritime Strategy considers our
22 options that, whatever the option is, we will be able to
23 accommodate the large ships.

24 BY GAROLD SMITH:

25 Ilse Henagan followed by Earl Miller.

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1 And Mr. Miller is the last speaker we have signed
2 up this evening. So again, if you would like to speak,
3 please make your way to the front table to sign up,
4 otherwise at the conclusion of Mr. Miller's comments, the
5 public session will close.

6 BY ILSE HENAGAN:

7 My name is Ilse Henagan. I live at
8 2022 Washington Street in historic Sunset Park.

9 I would like to put a human face on the truck

10 problem. We are not against growth. We are in support
11 of the port. The port has been a good neighbor and
12 hopefully be a good port, but semis are a problem.

13 When there's an accident on Carolina Beach Road.
14 They come into Sunset Park, and that happens three to
15 four times a year.

16 Let me give you one example. There was an
17 accident on Carolina Beach Road. Within an hour and a
18 half, I counted 100 semis on my street. We were blocked
19 in. We could not get out of our driveways. No
20 ambulance, no fire truck could get to us. This went on
21 for eight hours.

22 On my block, there are 23 houses. Five of my
23 neighbors, including myself, have a health condition
24 where we need an ambulance at any time. So prosperity,
25 development, everything has a human face. So please

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1 consider the infrastructure is not in place. We need an
2 entrance when you come onto Memorial Bridge, you go right
3 on Savannah Road and go past the highway inside of the
4 port.

5 Thank you for your presentation tonight. You've
6 all done a wonderful job, and hopefully we all can work
7 it out. Prosperity and development and neighborhoods can
8 all live peacefully together.

9 BY GAROLD SMITH:

10 Earl Miller will be followed by Fred Johnson.

11 BY EARL MILLER:

12 Thank you. My name is Earl Miller. I'm from
13 Bladen County.

14 I didn't intend to speak tonight. I just came to
15 listen, but I heard you speak about jobs, and they're
16 right, and I just want to add a little bit to it by
17 squeezing in three minutes.

18 This whole issue, you've got a lot of people, I'm
19 sure, on both sides. People hear what they want to hear,
20 say what they want to say, but you know, you sit around
21 and look at the relic of the logistics efforts the
22 coastline dealt with, and I remember, you know, it being
23 years and years and years and years. Trains came here.
24 Logistics effort, it went. It went to Jacksonville,
25 Florida.

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1 Now, you bet Jacksonville, the port of
2 Jacksonville, port of Savannah doesn't want Southport.
3 Charleston doesn't want us to have one. So my question
4 is who in our legislature wants to have it? And why?
5 They need to be asked. Why don't you want us to have
6 this port? And put them and your whole budget to be
7 asked, because they're the ones (inaudible.) You know,
8 it'll sit there for years and years and years and will

9 never generate any money profit. So you know, I know
10 money's tight, but let's just -- we've got -- that's
11 something in the abstract.

12 Here's something that can be proven, something
13 that's tangible, something's that real, something's here.
14 And guys who run out of stuff, they shoot -- because, you
15 know, losing a thousand jobs here, we're shooting this
16 foot off, losing 1200, \$1500 there and shooting another
17 foot off. You know, we're running out of things to shoot
18 at. And it's not just a thousand jobs. One thousand
19 jobs generates a lot more (inaudible.) The spin on it
20 was tremendous. So when you lose a thousand jobs, you're
21 losing like 5 or 6,000 jobs, and that's probably a
22 conservative figure. So you're losing a tremendous
23 amount of money.

24 So you know, I've kind of got my feet in both
25 talking about soybeans and corn. I farm. I was in the

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1 Marine Corps and in civilian life for over 25 years, and
2 I teach kids.

3 And I sit across and look at these kids, and you
4 know what? If you don't have something to offer them,
5 they're going to do just what you said. They're going to
6 have theirs. So a lot of people feel like well, I got
7 mine. That's fine. But there's another segment out
8 there that's got to get theirs, and if they can't get

9 your money, they're going to get it another way. So we
10 can't blame them for poor judgment and poor value choices
11 when we make more decisions that exclude these folks from
12 having gainful employment.

13 So that's just something I would like to share
14 with you tonight, and I don't mean to preach, but you
15 know, we're looking at it really funny.

16 And the other thing is really -- sorry. I'm out
17 of time.

18 BY GAROLD SMITH:

19 Fred Johnson is followed by Leo Shepard.

20 BY FRED JOHNSON, SR.:

21 My name's Fred Johnson and I live in Sunset Park,
22 and I share some of the same comments that Ilse Henagan
23 did.

24 I hold a commercial driver's license, and I have
25 been on the state port. I pull those trailers with

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1 containers in and pull them out. From the safety
2 standpoint, some of those trailers are very poorly
3 maintained from the brakes to the lights, et cetera. I
4 even had to pull one myself. Should have never moved it,
5 but I did very close speed from Wilmington to Savannah,
6 Georgia, I think it was.

7 But anyhow, in September, I was rear-ended at

8 Southern Boulevard and Carolina Beach Road. And since
9 that time, I have noticed many times -- as a matter of
10 fact, today from Carolina Beach Road, there was a
11 tractor-trailer with a container heading to the port.
12 It's my thinking that he spent too much time in the diner
13 or some place else that he had to get to the state port
14 at a certain time. He was in the right-hand lane. He
15 went to the left-hand lane. He was trying to get there
16 on time, which he was traveling too fast. And traffic
17 had been stopped. He had to stop. They were going to
18 pile-up. I think the same issue needs to be addressed by
19 the Wilmington PD or city.

20 My suggestion is to be a good driver. I've had a
21 commercial license for many years. That all those trucks
22 need to be used on -- need to travel in the right-hand
23 lane going into the state port; leave the port on
24 Carolina Beach Road, and use the left-hand lane because
25 they have to use that get on Front Street.

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1 However, what needs to be done that's already been
2 mentioned, and that is the road through the port. It
3 will eliminate hundreds of trucks. And as you said about
4 the accidents, telephone poles, and something -- I mean,
5 it's an accident going to happen if something does not
6 change.

7 So that's my comment and thank you. Take it from

8 me. I've had the experience. Okay? I know. I've been
9 there. Thank you.

10 BY GAROLD SMITH:

11 Okay. The last speaker signed up this evening is
12 Leo Shepard.

13 BY LEO SHEPARD:

14 Good afternoon. I'll try to make my comments
15 directly to the point, and it will cause you to stop and
16 think.

17 I want you to think about the fact that what we
18 are undergoing now has a global impact, impact of what's
19 going on in the world and what's going on internationally
20 and locally. And it says that we can narrow it down, and
21 I know we have to follow this through, that politics
22 makes strange bedfellows. Keep that in mind.

23 I was in the office of one of my friends in
24 Raleigh recently, and he had a mural on the wall, and it
25 showed two donkeys, and they were tied to each other.

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1 There was a bale of hay here, and they were there over
2 there, and they were pulling against each other. So
3 finally they got smart. One said to the other, let me
4 come over and help you eat yours, and you come over and
5 help me eat mine.

6 This is where we are right now. As I say it

7 again, you need to get the international and national
8 trade journals and find out what is going on globally,
9 what's going on locally. As I say it again, there are --
10 we can find a division in the room. Us against them. As
11 I say it again, as time progress, you will see us coming
12 together. Thank you.

13 BY GAROLD SMITH:

14 Was there anyone else who would like to make a
15 public comment tonight before we close the comment
16 session? One more.

17 BY PATRICK SMITH:

18 My name is Patrick Smith.

19 You know, I just want to add something to the --
20 you know, North Carolina, our state as a whole, we -- 22
21 states need more terminals. Norfolk, Virginia's got
22 Hampton Roads by Norfolk. South Carolina's got
23 Charleston and North Charleston. And these two states
24 that are states that have always been our number-one
25 competitors. You know, if you recall 10 years ago, 12,

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1 15 years ago, southern Virginia had in place making
2 millions of dollars. South Carolina put one in place
3 before we finally got smart and said, hey, we need
4 (inaudible.)

5 So how long do we need to lie down concerning our
6 port and our maritime industry? We continue to follow

7 these states. Georgia took Caterpillar. South Carolina
8 took Continental Tires. And those are two that we could
9 have had. We're talking about 2500 jobs that we could
10 have had that we don't have because we're dragging our
11 feet.

12 So we're going to compete and going to be
13 recognized. I mean, these other guys (inaudible) killing
14 us, and they will continue to do so as we sit here and
15 talk about it. Study what we study. Let's just stop
16 studying. Let's just build. Thank you.

17 BY DAVID HOLDEN:

18 My name is David Holden. I'm from
19 Brunswick County.

20 I think that we need to look closer at this. I
21 think, if at all possible, a deepwater port needs to be
22 built in this area. I think that we have not done the
23 research that we need to do yet. I think we need to be
24 very careful, but I think we need to take a serious look
25 at it.

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1 BY GAROLD SMITH:

2 Any other comments tonight?

3 BY BRYAN STANTON:

4 My name is Bryan Stanton. I'm a lifelong resident
5 of Brunswick County. I'm 54 years old. Grew up in

6 Holden Beach. My family grew up there, my father and
7 grandfather.

8 And I watch people wait. I have a business. I've
9 done pretty well. But I've watched people my age that's
10 got children now. I've got children. They're in their
11 20s. And Brunswick County needs jobs. People want to
12 work. People don't want to live on welfare. People
13 don't want to live on -- anyway. They want to work.
14 We've lost the jobs.

15 This gentleman was right from Bladen County.
16 Columbus County, Bladen County, Brunswick County. I
17 lived in the northwest. I was less than two miles from
18 both of those plants. Those jobs are created, like he
19 said, two to three jobs to support those jobs.

20 Back years ago, 75, 80 years ago when (inaudible)
21 started up, the people in those parts of the counties
22 couldn't look after their families. They couldn't have
23 an extra car. They could not -- the quality of life was
24 poor. When that mill came, it enhanced the quality of
25 life for three counties, and that's all that's there.

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1 There's ten times the people now with children and more
2 to come.

3 We need these jobs. Brunswick County has been
4 sitting here. That port's very important. I know
5 there's more studies that need to be made, and we -- just

6 like this other fella, 45 foot's pretty deep. I go in
7 and out of Southport a lot with my boat. I know how deep
8 it is. I don't see going up the Brunswick River to the
9 site 4 being very feasible. It just takes too much work.

10 That port -- this gentleman right over right front
11 here, on the left, he was right. He can bring a ship in
12 in short order and get it unloaded in short order.

13 And I think a lot of folks at Southport are still
14 thinking about the maritime years ago when sailors come
15 in and women come in and things like that. They don't
16 have enough time to go out and have a good time. And the
17 jobs for the people, that's what we need. Thank you.

18 BY GAROLD SMITH:

19 Any other comments this evening? Okay. With
20 that, I'd like to go ahead and close the formal public
21 comment period. Thank you all for your comments.

22 As I mentioned earlier, there are other
23 opportunities to make comments if you did not want to
24 make a public comment tonight. We have comment sheets at
25 the front table. We can also give you a comment sheet if

1 you'd like to get one from us. Fill it out, give it to
2 us or you can drop it in the mail. You can also go to
3 the Web site, n-c maritime study dot com, to submit a
4 comment. On the Web site there's also a number for a

5 hotline. And again, all of these comments will be held
6 at equal weight and will go into the final report.
7 Please provide your comments by the 26th of March.

8 With that, I'd like to close the comments and
9 close the meeting, and thank you all for being here
10 tonight.

11 (WHEREUPON THE MEETING WAS CONCLUDED AT
12 7:03 p.m.)

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1 STATE OF NORTH CAROLINA
2 COUNTY OF ONSLOW

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C E R T I F I C A T E

5

5 I, Ivy Murphy, a stenotype court reporter and
6 notary public in and for Onslow County, North Carolina,
7 do hereby certify that the foregoing 42 pages are an
8 accurate transcript of the meeting of the North Carolina
9 Maritime Strategy taken by me in machine shorthand and
10 transcribed by me personally.

11 This the 21st day of March, 2012.

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